

1                                   A bill to be entitled  
 2           An act relating to public records; creating s.  
 3           560.312, F.S.; providing an exemption from public  
 4           records requirements for payment instrument  
 5           transaction information held by the Office of  
 6           Financial Regulation; providing for specified access  
 7           to such information; authorizing the office to enter  
 8           into information-sharing agreements and provide access  
 9           to information contained in the database to certain  
 10          governmental agencies; requiring any department or  
 11          agency that receives confidential information to  
 12          maintain the confidentiality of the information,  
 13          except as otherwise required by court order; providing  
 14          for future review and repeal of the exemption;  
 15          providing a statement of public necessity; providing a  
 16          contingent effective date.

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 18   Be It Enacted by the Legislature of the State of Florida:

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 20           Section 1.   Section 560.312, Florida Statutes, is created  
 21   to read:

22           560.312 Database of payment instrument transactions;  
 23   confidentiality.-

24           (1) Payment instrument transaction information held by the  
 25   office pursuant to s. 560.310 which identifies a licensee,  
 26   payor, payee, or conductor is confidential and exempt from s.  
 27   119.07(1) and s. 24(a), Art. I of the State Constitution.

28           (2) (a) A licensee may access information that it submits

29 to the office for inclusion in the database.

30 (b) The office, to the extent permitted by state and  
 31 federal law, may enter into information-sharing agreements with  
 32 the department, law enforcement agencies, and other governmental  
 33 agencies and, in accordance with such agreements, may provide  
 34 the department, law enforcement agencies, and other governmental  
 35 agencies with access to information contained in the database  
 36 for use in detecting and deterring financial crimes and workers'  
 37 compensation violations, pursuant to Chapter 440, F.S. Any  
 38 department or agency that receives confidential information from  
 39 the office under this paragraph must maintain the  
 40 confidentiality of the information, unless, and only to the  
 41 extent that, a court order compels production of this  
 42 information to a specific party or parties.

43 (3) Subsection (1) is subject to the Open Government  
 44 Sunset Review Act in accordance with s. 119.15 and shall stand  
 45 repealed on October 2, 2018, unless reviewed and saved from  
 46 repeal through reenactment by the Legislature.

47 Section 2. The Legislature finds that it is a public  
 48 necessity that payment instrument transaction information held  
 49 by the Office of Financial Regulation pursuant to s. 560.310,  
 50 Florida Statutes, which identifies a licensee, payor, payee, or  
 51 conductor be made confidential and exempt from s. 119.07(1),  
 52 Florida Statutes, and s. 24(a), Article I of the State  
 53 Constitution.

54 (1) Pursuant to s. 560.310, Florida Statutes, money  
 55 services businesses that cash a payment instrument exceeding  
 56 \$1,000 must submit information about the transaction to the

57 | Office of Financial Regulation in order to deter money  
58 | laundering through these entities and in response to the  
59 | findings of the Money Service Business Facilitated Workers'  
60 | Compensation Fraud Work Group that these entities are being used  
61 | to facilitate financial crimes, including fraud relating to  
62 | workers' compensation. The report issued by the group found that  
63 | this type of workers' compensation fraud could be costing the  
64 | state upwards of \$1 billion dollars annually in unreported  
65 | payroll taxes, unreported premium taxes, and higher costs to  
66 | insurance carriers who must process workers' compensation claims  
67 | from uninsured workers. This type of fraud places tremendous  
68 | pressure on law-abiding businesses to absorb these costs.

69 | (a) Submission of this information to the office is  
70 | intended to assist the office, the Department of Financial  
71 | Services, law enforcement agencies, and other governmental  
72 | agencies in detecting and deterring these financial crimes and  
73 | related fraudulent activities.

74 | (b) The availability of this information to these agencies  
75 | will help to increase premium collection, lower costs to  
76 | insurance carries, and alleviate premium avoidance, as well as  
77 | reduce the cost of administering these public programs.

78 | (2) However, the public availability of payment instrument  
79 | transaction information would reveal sensitive, personal  
80 | financial information about payees and conductors who use check-  
81 | cashing programs, including paycheck amounts, salaries, and  
82 | business activities, as well as information regarding the  
83 | financial stability of these persons. Such information is  
84 | traditionally private and sensitive. Protecting the

85 confidentiality of information that would identify these payees  
86 and conductors would provide adequate protection for these  
87 persons while still providing public oversight of the program.

88 (3) The public release of payment instrument transaction  
89 information would also identify licensees or payors and reveal  
90 private business transaction information that is traditionally  
91 private and could be used by competitors to harm other licensees  
92 or payors in the marketplace. If such information were publicly  
93 available, competitors could determine the amount of business  
94 conducted by other licensees or payors.

95 (4) Therefore, the Legislature finds that information that  
96 would identify the licensee, payor, payee, or conductor in  
97 payment instrument transaction information be made confidential  
98 and exempt from public records requirements.

99 Section 3. This act shall take effect on the same date  
100 that HB 217 or similar legislation takes effect, if such  
101 legislation is adopted in the same legislative session or an  
102 extension thereof and becomes a law.